

Message Text

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ACTION COME-00

INFO OCT-01 EUR-12 ISO-00 EB-08 FAA-00 DOTE-00 /021 W

-----086184 300153Z /73

R 291228Z SEP 77

FM AMEMBASSY VIENNA

TO SECSTATE WASHDC 3517

INFO FAA BRUSSELS

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FOR COMMERCE/SIPS

E.O. 11652: N/A

TAGS: EAIR, BEXP, AU

SUBJECT: PRODUCT OPPORTUNITY:JOINT CIVIL/MILITARY ATC AND AIR
SURVEILLANCE SYSTEM

REF: A. STATE 222587, B. VIENNA 8313

1. DISPALY PROPOSAL: FOLLOWING RECEIPT OF REFTEL A, EMBOFF
CONTACTED PROJECT TEAM MEMBER AT BAZ AND RAISED SUBJECT OF
TWO PROPOSALS SUBMITTED BY SANDERS---ONE FULLY RESPONSIVE TO
ALL REQUIREMENTS, AND THE SECOND A DEGRADED PROPOSAL AT A
LOWER PRICE---AS MENTIONED IN REFTEL.

2. BAZ OFFICIAL EXPLANINED THAT WHEN SANDERS SUBMETTED PRO-
POSAL FOR DISPLAY SYSTEM (ODS) ON JULY 4, THE FIRM SUBMITTED
TWO OFFERS; ONE WAS FOR THE ODS ITSELF, WAS FULLY RESPONSVIE
TO ALL REQUIREMENTS, AND WAS ACCEPTED BY BAZ AS VALID PRO-
POSAL. THE OTHER RELATED TO CENTRAL PROCESSING SYSTEM (CPS).
ON SEPT. 5, WHICH WAS DEADLINE FOR RECEIVING
PROPOSALS ON PROCESSING SYSTEM, ITT/SANDERS SIMPLY FILED A
LETTER REFERRING TO EARLIER PROPOSAL. HOWEVER, THIS
EARLIER PROPOSAL CONTAINED NO PRICE AND THIS IS PROPOSAL
WHICH WAS REJUCRED.

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3. BAZ OFFICIAL STRESSED THAT ITT/SANDERS PROPOSAL FOR
ODS IS STILL UNDER CONSIDERATION ALONG WITH ALL OTHER
PROPOSALS RECEIVED. HE ALSO CATEGORICALLY STATED THAT
BAZ WILL NOT ENTERTAIN VEISED BID---WITH EITHER HIGHER
OR LOWER PRICE QUOTATION--AFTER BID DEADLINE AND AFTER
COST SUBMISSIO OF ALL FIRMS HAVE BECOME MATTER OF

PUBLIC RECORD.

4. BECAUSE EXPLANATION FROM BAZ TENDED TO CONFLICT WITH INFO IN REFTEL A, WE ARRANGED INTERVIEW WITH SANDERS REP BERNHARD BULLWINKEL, WHO HAPPENED TO BE IN VIENNA. BULLWINKEL CONFIRMED THAT ODS PROPOSAL IN EARLY JULY WAS FULLY RESPONSIVE, AND THAT SANDER ALSO PROPOSED TO BAZ

TO PROVIDE DISTRIBUTIVE PROCESSING SYSTEM, I.E. COMPLETE ODS/CPS SYSTEM, WITHOUT AT THAT TIME NAMING A PRICE. ACCORDING TO BULLWINKEL, PACKAGE SYSTEM, WHICH SANDERS COULD OFFER FOR ABOUT \$10 MILLION, WOULD SAVE BAZ NEARLY \$11 MILLION OVER TOTAL COST OF ODS AND CPS CONTRACTED SEPARATELY. BULLWINKEL, WHO HELD MEETINGS WITH LANG LAST WEEK, IMPRESSED ON LANG DESIRABILITY OF GIVING SERIOUS CONSIDERATION TO PROPOSAL. PROJECT TEAM WAS APPARENTLY NOT FULLY INFORMED OF DETAILS. (FYI: NEW SANDERS PRICE OFFER FOR ODS, AT REDUCED COST, RESULTING FROM CANADIAN CONTRACT, STILL WOULD NOT UNDERCUT THAT OF MOST FOREIGN COMPETITORS.)

5. WE INTEND TO SUPPORT SANDERS IN EVERY WAY POSSIBLE TO CONVINCE BAZ THAT ITT/SANDERS PROPOSAL ON INTEGRATED ODS/CPS IS WORTHY OF SERIOUS CONSIDERATION. USDOC SHOULD BE AWARE HOWEVER, THAT RAYTHEON PROPOSAL ON ODS LIMITED OFFICIAL USE

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IS STILL OFFICIALLY IN THE RUNNING, AND THAT IF BAZ WERE TO CALL FOR NEW BID FOR INTEGRATED ODS/CPS SYSTEM, THIS WOULD AFFECT UNIVAC, WHICH IS ONLY U.S. FIRM BIDDING ON SEPARATE CPS. WOLF

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: AERIAL RECONNAISSANCE, PROPOSALS (BID)
Control Number: n/a
Copy: SINGLE
Sent Date: 29-Sep-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977VIENNA08774
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770356-0154
Format: TEL
From: VIENNA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t1977096/aaaaaeui.tel
Line Count: 98
Litigation Code IDs:
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Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
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